

QUANT™

Smart services for a sustainable world



INTERIM REPORT Q4
OCTOBER – DECEMBER
2022

INTERIM OVERVIEW

All numbers, unless expressly stated, refer to Continuing operations*

October - December

- Net sales for the quarter improved to EUR 49.4 (41.9) million. Organically, net sales increased by 16.3%
- During the quarter the contract portfolio value decreased by net EUR -8.2 million. Three contracts were scaled down, seven contracts were renewed, and five contracts were lost. Portfolio run rate annualized net sales at the end of the quarter was EUR 209.7 million, compared to EUR 172.8 million prior year, and EUR 217.9 million at the end of the third quarter of 2022
- Operating loss for the quarter amounted to EUR -12.7 million, compared to a loss of EUR -1.6 million prior year
- Adjusted EBITDA amounted to EUR -1.5 million compared to EUR 0.7 million prior year, excluding the effect of implementation of IFRS 16 Leases. In constant currencies, Adjusted EBITDA for the quarter was EUR -1.5 (0.7) million. Adjusted EBITDA with IFRS 16 implementation was EUR -1.1 (1.3) million
- Cash flow from operating activities amounted to EUR 5.8 (2.4) million, of which change in working capital amounted to EUR 8.2 (3.1) million
- Net loss for the continuing business amounted to EUR -14.6 million compared to a loss of EUR -5.6 million prior year
- The Adjusted EBITDA for discontinued operations was EUR 0.6 (0.2) million and the net profit was EUR 0.7 (0.2) million, which is not included in the reported numbers above
- Group net loss for the quarter, including discontinued operations, was EUR -13.9 (-5.5) million

January - December

- Net sales for the period amounted to EUR 179.4 (164.4) million. Organically, net sales increased by 7.7%
- Operating loss amounted to EUR -9.7 million, compared to EUR -2.8 million prior year
- Adjusted EBITDA amounted to EUR 4.7 million compared to EUR 7.2 million prior year, excluding the effect of implementation of IFRS 16 Leases. In constant currencies, Adjusted EBITDA for the period was EUR 4.6 (7.3) million. Adjusted EBITDA with IFRS 16 implementation was EUR 6.7 (9.8) million
- Cash flow from operating activities amounted to EUR 7.7 (-1.8) million, of which change in working capital amounted to EUR 9.8 (-3.1) million
- Net loss for the continuing business amounted to EUR -21.9 million compared to a loss of EUR -15.5 million prior year
- The Adjusted EBITDA for discontinued operations was EUR 0.5 (-0.9) million and the net profit was EUR 0.6 (-7.4) million, which is not included in the reported numbers above
- Group net loss for the period, including discontinued operations, was EUR -21.3 (-22.9) million

KEUR	Q4		Jan-Dec		LTM
	2022	2021	2022	2021	Dec 2022
Net sales	49,372	41,887	179,374	164,435	179,374
Operating profit (loss)	-12,701	-1,649	-9,681	-2,778	-9,681
Adjusted EBITDA	-1,536	700	4,672	7,209	4,672
<i>Adjusted EBITDA, %</i>	<i>-3.1%</i>	<i>1.7%</i>	<i>2.6%</i>	<i>4.4%</i>	<i>2.6%</i>
Adjusted EBITDA IFRS 16	-1,143	1,320	6,688	9,786	6,688
<i>Adjusted EBITDA IFRS 16, %</i>	<i>-2.3%</i>	<i>3.2%</i>	<i>3.7%</i>	<i>6.0%</i>	<i>3.7%</i>
Cash flow from operating activities	5,839	2,366	7,698	-1,781	7,698
Net debt	71,938	135,295	71,938	135,295	71,938
Net debt / Adjusted EBITDA, times	-	-	15.4	18.8	15.4
Net debt / Adjusted EBITDA IFRS 16, times	-	-	11.1	14.2	11.1
Discontinued operations					
Operating profit (loss)	606	79	461	-7,388	461
Adjusted EBITDA	606	173	461	-865	461
Adjusted EBITDA IFRS 16	606	173	461	-865	461

A detailed presentation of the alternative performance measures Adjusted EBITDA, Net Debt and Net Debt /Adjusted EBITDA, together with other measures, is found on page 15.

CEO COMMENTS

TOMAS RÖNN
CEO
QUANT AB (PUBL)



The year 2022 was a year of change and transformation for Quant. The pandemic impacts lingered on, inflation and interest rates rose in tandem, and supply chain delays were more common. In the last quarter we had two events in South America which impacted Quant's profitability negatively. A challenging and extended mobilization of a Brazilian contract announced in June 2022 led to a loss in the quarter of approximately EUR 1.2 million due to cost increases and a slower recruitment pace leading to lower revenue. We have an action plan for the site in place and an ongoing dialogue with the customer to turn around performance. A Chilean contract, which has been underperforming during the year due to penalties and discounts, was renegotiated, reducing its scope. The layoff cost of reducing the scope of the contract amounted to approximately EUR 0.7 million in the quarter. With this agreed change the contract is expected to return to acceptable profitability levels.

On a positive note, we ended the year with a good portfolio value and the satisfaction surveys indicate an improved employee engagement and happier customers. The actions taken in the quarter combined with the good order book and the positive indications in the satisfaction surveys sets a good platform for a better performance during 2023.

Adjusted EBITDA for the fourth quarter came in at EUR -1.5 million compared to EUR 0.7 million in 2021. Region Europe & Middle East increased revenues due to increased scope in existing contracts and new contracts. This, together with improved profitability in a Norwegian contract, increased the quarterly profitability of the region by 25% (EUR 0.2 million). Region Americas significantly increased revenue as new contracts started up, but profitability was negatively affected by the extended mobilization of one contract in Brazil, layoff costs in Chile after a renegotiation which decreased the scope of a former underperforming contract, and an increase in overhead required for the large new contracts in the region. Region Finland & Baltics' revenue was flat from prior year. The region's profitability was negative in the quarter, impacted by inflationary pressure as cost increases in certain contracts will only be met by contract price inflation clauses in early 2023. Supply chain challenges for customers impacted the profitability of certain existing contracts negatively.

During the fourth quarter the contract portfolio decreased by EUR -8.2 million as three contracts were renegotiated and scaled down, seven contracts were renewed, and five contracts were lost. The portfolio value at the end of the quarter amounted to EUR 209.7 million, compared to EUR 172.8 million prior year, and EUR 217.7 million at the end of the third quarter of 2022.

In December 2022 the final step of the majority owner change and refinancing was finalized as the former holding company was merged into Quant AB (publ). The merger completed all obligations under the transaction, for instance that junior bonds and shareholder loans totaling EUR 59 million were extinguished which meant an implicit contribution of liabilities in Quant AB, recorded in equity.

In October we launched an update of our strategy. The previous strategy focused on building a strong orderbook, which we have succeeded with, increasing our portfolio value with more than 40% during the last two years. The updated strategy is focused on improving cash generation and earnings by successfully delivering our contracts, ensuring operational excellence at all sites, more closely cooperating with our customers, and expanding our digitalization initiative.

Uncertainty in the world might be higher than in many years, but with the improvements we have made, with professional colleagues around the world and a solid customer base, I am confident that 2023 will be a better year for Quant.

I would like to thank all my colleagues for the excellent work during the past year. We had challenges but we have established a good foundation to improve our performance during 2023. I would also like to thank our customers for good cooperation during the year. Working in partnership is the prerequisite for mutual success.

Tomas Rönn
CEO

FOURTH QUARTER OF 2022

Net sales and profit

Net sales during the quarter increased to EUR 49.4 million from EUR 41.9 million prior year, mainly due to new contracts in Americas and Europe & Middle East, but also higher upselling and projects in existing contracts across regions. This was partially offset by lost contracts. Organically, i.e. adjusted for acquisitions, non-recurring adjustments and currency, net sales increased by 16.3% compared to the same quarter last year. In the period, there were no adjustments for structural changes and other non-recurring items.

For the full year net sales amounted to EUR 179.4 million, compared to EUR 164.4 million prior year due to new contracts in Americas and Europe & Middle East, as well as increased scope, more projects and upselling in existing contracts. This was partially offset by lost contracts. Organically, net sales increased with 7.7%.

Gross profit for the quarter amounted to EUR 2.6 million, down from EUR 4.2 million prior year, mainly due to the mobilization of one contract in Brazil and one renegotiated underperforming contract in Chile at reduced scope with related layoff costs, as well as inflationary pressure and supply chain shortages impacting existing contracts in Finland & Baltics. Additionally, gross profit was also negatively impacted by currency fluctuations on revaluations of internal receivables and payables in the amount of EUR -0.6 (-0.1) million and lost contracts. This was partly offset by improved profitability and upselling in existing contracts in Americas and Europe & Middle East, as well as new contracts in the same regions.

For the full year gross profit was EUR 20.0 million, a decrease from EUR 21.2 million last year, mainly driven by lost contracts, the mobilization of one contract in Brazil and the renegotiated underperforming contract in Chile. This was partially offset by improved profitability in existing contracts, new contracts and changes in currency fluctuations, which were EUR 0.5 million compared to EUR 0.2 million last year.

Operating loss for the quarter was EUR -12.7 million, compared to EUR -1.6 million last year. This was driven by write-down of goodwill in Finland & Baltics of EUR 10 million, lower gross profit and higher selling, general and administrative expenses (excluding amortization). Operating loss for the full year was EUR -9.7 million, compared to a loss of EUR -2.8 million prior year, due to the same reasons.

Quarterly adjusted EBITDA, excluding the impact from IFRS 16, decreased to EUR -1.5 million from EUR 0.7 million prior year due to lower gross profit, higher selling, general and administrative expenses, as well as a EUR -0.5 million negative impact from currency fluctuations on revaluation of internal receivables/payables. In constant currency the adjusted EBITDA was EUR -1.5 (0.7) million. Quarterly adjusted EBITDA with IFRS 16 was EUR -1.1 (1.3) million.

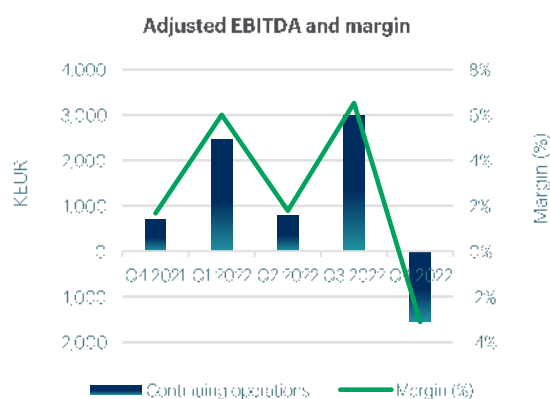
For the full year adjusted EBITDA, excluding the impact from IFRS 16, was EUR 4.7 million, compared to EUR 7.2 million prior year mainly due to lower gross profit and higher selling, general and administrative expenses. This was partially offset by EUR 0.3 million positive impact from currency fluctuations on revaluation of internal receivables/payables. In constant currency the adjusted

EBITDA was EUR 4.6 (7.3) million. Adjusted EBITDA with IFRS 16 was EUR 6.7 (9.8) million.

Net financial items for the quarter were EUR -3.8 million compared to EUR -4.2 million last year primarily due to positive impact on revaluations of internal loans to subsidiaries because of exchange rate fluctuations. For the full year net financial items amounted to EUR -13.2 (-14.1) million.

Net loss in the quarter amounted to EUR -14.6 million compared to EUR -5.6 million prior year due to write-down of goodwill, lower gross profit, higher sales, general and administrative expenses (excluding amortization). This was partially offset a positive impact from currency fluctuations on internal subsidiary loans. Net loss for the full year was EUR -21.9 million, down from EUR -15.5 million prior year due to the same reasons.

The Adjusted EBITDA for discontinued operations was EUR 0.6 (0.2) million in the quarter and for the full year the Adjusted EBITDA was EUR 0.5 (-0.9) million. For discontinued operations, the net profit in the quarter was EUR 0.7 (0.2) million and the net profit for the full year was EUR 0.6 (-7.4) million. The significant loss in discontinued last year was due to a write-down of goodwill in China.



Cash flow

Cash flow from operating activities for the quarter amounted to EUR 5.8 (2.4) million. Change in working capital was EUR 8.2 (3.1) million for the quarter mostly due to an increase in operational liabilities.

Cash flow from operating activities for the full year amounted to EUR 7.7 (-1.8) million. Change in working capital was EUR 9.8 (-3.1) million for the period mostly due to an increase in operational liabilities.

For the total Group, including both continuing and discontinued operations, cash flow for the quarter was EUR 3.6 (3.5) million. On 31 December 2022 the loan amount drawn on the revolving working capital facility amounted to EUR 0.0 (4.0) million.

For the total Group, including both continuing and discontinued operations, cash flow for the full year was EUR 4.8 (-11.9). In June this year, a net capital injection of EUR 7.5 million offset by a EUR 4 million repayment of working capital facility added over EUR 3 million to cash flow from financing activities. The same period last year was impacted negatively by a EUR 8 million repayment of working capital facility.

Contract portfolio

During the quarter, Quant had 78 sites in operation worldwide. A standard contract has a duration of three to five years, usually with extension possibilities after the initial period. In outsourced maintenance, changes to the contract portfolio are a natural part of doing business, as contracts are won and lost. New contract wins and losses of existing contracts do not coincide in the short term, whereby it is necessary to consider the long-term trend. Contracts with annualized net sales of EUR 52.6 (42.3) million are scheduled for renewal during the next twelve months.

During the fourth quarter no contracts were won, three contracts were scaled down with an annualized net sales of EUR -5.9 million, and seven contracts were renewed with an increased scope of EUR 1.2 million. Five contracts were lost at an annualized net sales of EUR -5.5 million. The combined effect of these changes, including scope changes in existing contracts and exchange rate effects totalling EUR 1.9 million, amount to a decrease in the contract portfolio annualized net sales of EUR -8.2 million to end of quarter annualized run rate of EUR 209.7 million, compared to EUR 217.9 million at the end of the third quarter of 2022.

During the full year five contracts were won, with a combined annualized net sales of EUR 46.6 million. Three contracts were scaled down with an annualized net sales of EUR -5.9 million and 20 contracts were renewed with an increased scope of EUR 3.2 million. Eleven contracts were lost with annualized net sales of EUR -16.3 million. The combined effect of these changes, including scope changes in existing contracts and exchange rate effects totalling EUR 9.2 million, amount to an increase in the contract portfolio annualized net sales of EUR 36.8 million to end of quarter annualized run rate of EUR 209.7 million, compared to EUR 172.8 million at the end of 2021.

Financial position

Interest-bearing liabilities after deduction of financing costs, and excluding lease liabilities, amounted to EUR 86.3 (144.9) million. Net debt excluding the impact of IFRS 16 implementation

amounted to EUR 71.9 (135.3) million, whereas Net debt with IFRS 16 effects included (Net Debt IFRS 16) amounted to EUR 73.9 (138.7) million (see separate table for calculation of Net debt and other Alternative Performance Measures).

In December 2022 the final step of the majority owner change and refinancing was finalized as the former holding company was merged into Quant AB (publ). The merger completed all obligations under the transaction, for instance that junior bonds and shareholder loans totaling EUR 59 million were extinguished which meant an implicit contribution of liabilities in Quant AB recorded in equity.

Items affecting comparability

Items affecting comparability includes events and transactions with significant effects, which are affecting the possibility to accurately compare income for the current period with previous periods, including restructuring initiatives, costs related to M&A significant impairment, and other major non-recurring income or costs. Items affecting comparability are recorded as non-recurring items, which amounted to EUR 0.0 (-0.1) million for the Group in the quarter. Year to date EUR 0.0 (-0.6) has been recorded as non-recurring items.

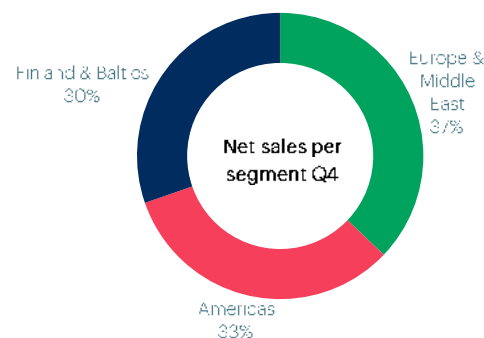
Parent company and ownership

Quant AB offers headquarter functions for the group and includes group management as well as group-wide functions. Cash and cash equivalents at the end of 2022 amounted to EUR 2.5 (1.4) million. On 16 June 2022 it was announced that Permira Credit acquired a majority shareholding in Quant from Nordic Capital, who remains a minority shareholder. At that time Quibot Bidco AB owned 100% of Quant AB. On 17 December 2022 a merger of Quant AB and its parent company Quibot Bidco AB was completed and Quibot Topco AB became parent to Quant AB. The group's parent company is Quibot Topco AB, which owns 100% of the shares in Quant AB. The ultimate beneficial owners of Quibot Topco AB are Permira Credit Solutions II Master Sub S.A. and Nordic Capital Fund VIII.

SEGMENTS

Quant’s customer contracts consist of providing maintenance outsourcing services, and as such net sales is recognized over time as the services are performed.

Quant is organized in a geographic setup, which is reflected in the reporting of financials in geographic segments. The reporting segment Other refers primarily to costs for headquarters functions that have not been operationally allocated to the geographic segments and eliminations. Assets held for sale and discontinued are reported separately as Discontinued operations.

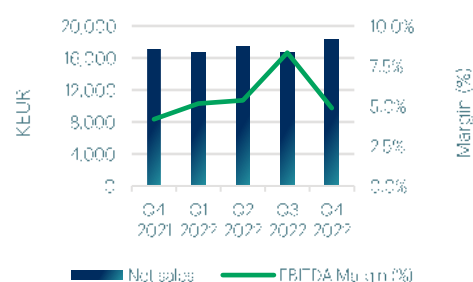


Europe & Middle East

Net sales in the quarter amounted to EUR 18.3 million, up from EUR 17.1 million prior year due to increased scope in existing contracts and new contracts, partially offset by lost contracts. For the full year net sales amounted to EUR 69.1 million, compared to EUR 66.9 million prior year, due to the same reasons.

Adjusted EBITDA for the quarter was EUR 0.9 million, up from EUR 0.7 million prior year. The increase in adjusted EBITDA is due to higher gross profit as a result of improved profitability in a Norwegian contract and new contracts. This was partly offset by higher selling, general and administration and lost contracts. For the full year EBITDA was EUR 4.1 million, up from EUR 3.7 million, driven by new contracts, less general and administration expenses and higher upselling in existing contracts. Lost contracts and higher selling expenses slightly reduced the full effect.

Net sales and EBITDA Margin



KEUR	Q4		Jan-Dec	
	2022	2021	2022	2021
Net sales	18,327	17,084	69,060	66,882
Operating profit (loss)	858	716	3,944	3,523
Adjusted EBITDA	893	710	4,067	3,657
Adjusted EBITDA %	4.9%	4.2%	5.9%	5.5%

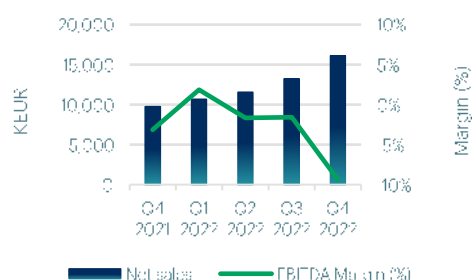
Americas

Net sales in the quarter increased to EUR 16.1 million, from EUR 9.7 million prior year, mainly due to new sales, higher revenue from projects and upselling in running contracts, which was partially offset by lost contracts. Full year net sales were EUR 51.4 (39.3) million, the increase is due to new sales and higher revenue from existing contracts, partially offset by decreased revenue from mainly one contract in Chile which was lost in December 2020 and exited at the end of the first quarter of last year.

Adjusted EBITDA for the quarter was EUR -1.5 million, down from EUR -0.3 million last year, mainly due to the mobilization of one contract in Brazil impacting the quarter negatively of approximately EUR 1.2 million and the renegotiation of a Chilean underperforming contract at reduced scope with related layoff cost of EUR 0.7 million. This was further amplified by increased selling, general and administration expenses, and lost contracts. However, this was partially compensated by improved profitability in existing contracts and new contracts. Full year adjusted EBITDA was EUR -1.7 (1.8) million, primarily due to mobilization of the Brazilian contract impacting the year negatively by approximately EUR -1.5 million, increased selling, general and administrative expenses and lost contracts. In addition, layoff costs relating to the renegotiated Chilean contract further

depressed the Adjusted EBITDA, partly compensated by increased profitability in existing contracts and new contracts.

Net sales and EBITDA Margin



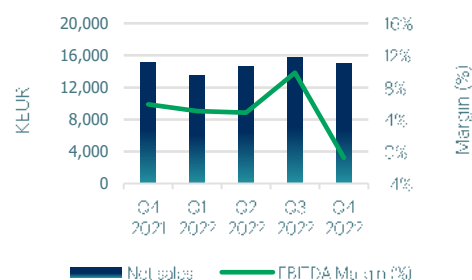
KEUR	Q4		Jan-Dec	
	2022	2021	2022	2021
Net sales	16,081	9,718	51,437	39,249
Operating profit (loss)	-1,684	-375	-2,080	1,383
Adjusted EBITDA	-1,507	-306	-1,714	1,762
Adjusted EBITDA %	-9.4%	-3.2%	-3.3%	4.5%

Finland & Baltics

Net sales in the quarter reduced to EUR 15.0 million, from EUR 15.1 million in the same period last year, due to lost contracts, partly compensated by higher upsell in existing contracts. For the full year net sales increased to EUR 58.9 (58.3) million, driven by the same reasons.

Adjusted EBITDA in the quarter decreased to EUR -0.1 million, from EUR 0.9 million prior year, as cost increases in certain contracts will only be met by contract price inflation clauses in early 2023, and certain customers' supply chain shortages impacted existing contracts. This was further amplified by higher selling, general and administrative expenses followed by lost contracts. For the full year adjusted EBITDA was EUR 2.8 million, up from EUR 2.5 million prior year due to good contract management and increased profitability, partially dampened by lower profitability during the fourth quarter, as well as less general and administrative expenses. This was partially reduced by higher selling expenses and lost contracts.

Net sales and EBITDA Margin



KEUR	Q4		Jan-Dec	
	2022	2021	2022	2021
Net sales	14,963	15,085	58,876	58,304
Operating profit (loss)	-184	815	2,531	2,181
Adjusted EBITDA	-119	890	2,820	2,479
Adjusted EBITDA %	-0.8%	5.9%	4.8%	4.3%

SEGMENT OVERVIEW

Net Sales

KEUR	Q4		Jan-Dec	
	2022	2021	2022	2021
Europe & Middle East	18,327	17,084	69,060	66,882
Americas	16,081	9,718	51,437	39,249
Finland & Baltics	14,963	15,085	58,876	58,304
Rest of world	-	-	-	-
Other	-	-	-	-
Group (continuing operations)	49,372	41,887	179,374	164,435

Operating profit (loss)

KEUR	Q4		Jan-Dec	
	2022	2021	2022	2021
Europe & Middle East	858	716	3,944	3,523
Americas	-1,684	-375	-2,080	1,383
Finland & Baltics	-184	815	2,531	2,181
Rest of world	-	-	-	-
Other	-11,690	-2,804	-14,075	-9,864
Group (continuing operations)	-12,701	-1,649	-9,681	-2,778

Adjusted EBITDA

KEUR	Q4		Jan-Dec	
	2022	2021	2022	2021
Europe & Middle East	893	710	4,067	3,657
Americas	-1,507	-306	-1,714	1,762
Finland & Baltics	-119	890	2,820	2,479
Rest of world	-	-	-	-
Other	-802	-594	-501	-688
Group (continuing operations)	-1,536	700	4,672	7,209
Group, %	-3.1%	1.7%	2.6%	4.4%
Adjusted EBITDA IFRS 16 (continuing operations)	-1,143	1,320	6,688	9,786
Adjusted EBITDA IFRS 16 (continuing operations) %	-2.3%	3.2%	3.7%	6.0%

SIGNATURE PAGE

The condensed set of financial statements in this interim report were prepared in accordance with IFRS, as approved by the EU and with generally accepted accounting practices and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the company. This interim report includes a description and impact of important events that have occurred during the period together with a description of the principal risk and uncertainties faced by the Parent company and the Group.

Stockholm, February 24, 2023

Bo Elisson
Chairman of the Board

Alexander Bell
Board member

Samuel Gross
Board member

Pierre Schöld
Board member

Tomas Rönn
Board member and CEO

The report has not been subject to review by the Company's auditors.

Contact Information



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Quant AB, organization number: 556975-5654

Financial Calendar



Interim report Q4 October – December: February 28, 2023
Annual report 2022: April 28, 2023
Interim report Q1 2023 January – March: May 26, 2023
Interim report Q2 2023 April – June: August 25, 2023
Interim report Q3 2023 July – September: November 24, 2023

CONSOLIDATED ACCOUNTS

Condensed Consolidated Income Statement

KEUR	Q4		Jan-Dec	
	2022	2021	2022	2021
Continuing operations				
Net sales	49,372	41,887	179,374	164,435
Cost of sales	-46,808	-37,645	-159,391	-143,207
Gross profit	2,564	4,242	19,983	21,228
General and administration expenses	-4,588	-5,092	-16,536	-21,209
Selling expenses	-715	-652	-2,870	-2,466
Research and development costs	-72	-130	-297	-294
Other operating items	-9,890	-16	-9,961	-37
Operating profit (loss)	-12,701	-1,649	-9,681	-2,778
Net financial items	-3,764	-4,196	-13,236	-14,148
Profit (loss) before tax	-16,466	-5,845	-22,917	-16,926
Tax	1,867	197	1,033	1,426
Net profit (loss), continuing operations	-14,600	-5,648	-21,884	-15,500
Net profit (loss), discontinued operations	696	152	621	-7,358
Net profit (loss), Group total	-13,903	-5,496	-21,263	-22,858
Net profit (loss) attrib to parent company shareholders	-13,903	-5,496	-21,263	-22,858
Earnings per share basic*, EUR Continuing operations	-2.92	-11.30	-7.44	-31.00
Earnings per share basic*, EUR Discontinued operations	0.14	0.30	0.21	-14.72
*As no potential shares exist, there is no dilution effect.				
Number of shares at end of period	5,000,000	500,000	5,000,000	500,000
Number of shares average	5,000,000	500,000	2,941,096	500,000

Condensed Consolidated Statement of Comprehensive Income

KEUR	Q4		Jan-Dec	
	2022	2021	2022	2021
Net profit (loss)	-13,903	-5,496	-21,263	-22,858
Other comprehensive income				
Translations differences pertaining to foreign operations	-453	595	-2,424	245
Items that will be reclassified to profit or loss	-453	595	-2,424	245
Revaluation of defined benefit plans	1,386	1,287	1,386	1,287
Tax pertaining to items that will not be reallocated to profit/loss	-271	-252	-271	-252
Items that will not be reclassified to profit or loss	1,114	1,035	1,114	1,035
Other comprehensive income	662	1,630	-1,310	1,280
Total comprehensive income	-13,242	-3,866	-22,573	-21,578

Condensed Consolidated Statement of Changes in Equity

KEUR	31 Dec 2022	31 Dec 2021
Opening Shareholder's equity	-55,231	-33,653
Net income/loss for the period	-21,263	-22,858
Other comprehensive income	-1,310	1,280
Total comprehensive income	-22,573	-21,578
Capital injection	10,000	-
Merger result	59,155	-
Closing Shareholder's equity	-8,649	-55,231

Condensed Consolidated Statement of Financial Position

KEUR	31 Dec 2022	31 Dec 2021
Non-current assets		
Intangible fixed assets	73,084	86,424
Tangible fixed assets	2,597	1,598
Right of use assets	1,893	3,185
Financial fixed assets	2,819	1,768
Total non-current assets	80,394	92,975
Current assets		
Inventories	1,632	1,402
Current receivables	34,113	32,095
Cash and bank	14,389	9,648
Assets held for sale	218	457
Total current assets	50,352	43,601
Total assets	130,746	136,576
Equity	-8,649	-55,231
Non-current liabilities		
Long term borrowings	86,327	136,341
Provisions for pensions and similar obligations	1,294	2,441
Provisions for taxes	2,809	3,443
Leasing liabilities	841	1,502
Other non interest bearing liabilities, external	-	-
Total non-current liabilities	91,272	143,727
Current liabilities		
Accounts payable, trade	10,303	8,298
Short term borrowings	-	8,602
Leasing liabilities	1,148	1,869
Other provisions	835	515
Other current liabilities	35,180	28,099
Liabilities related to assets held for sale	656	698
Total current liabilities	48,123	48,080
Total Liabilities	139,395	191,807
Total Liabilities and Equity	130,746	136,576

Condensed Consolidated Cashflow Statement

KEUR	Q4		Jan-Dec	
	2022	2021	2022	2021
Continuing operations				
Profit (loss) after financial items	-16,466	-5,845	-22,917	-16,926
<i>Adjustments for non-cash items</i>				
Reversal of depreciation, amortization, impairment	11,323	2,418	14,679	9,784
Reversal of depreciation Right of Use Assets	328	523	1,689	2,158
Change in provisions	-1,242	-1,325	-952	-1,546
Unrealized exchange rate differences	-77	815	-4,104	607
Other	3,849	2,839	9,929	7,609
Total items not affecting cash	14,181	5,269	21,241	18,612
<i>Taxes paid</i>	<i>-65</i>	<i>-122</i>	<i>-439</i>	<i>-342</i>
Changes in Working Capital				
Change in inventories	212	662	-293	-24
Change in receivables	438	2,212	-1,704	-2
Change in liabilities	7,540	191	11,809	-3,099
Cash flow from changes in working capital	8,189	3,065	9,812	-3,125
CASH FLOW FROM OPERATING ACTIVITIES	5,839	2,366	7,698	-1,781
Investing activities				
Change in subsidiaries	-	-0	-	0
Change in intangible assets	-523	-0	-1,413	-50
Change in tangible assets	-1,072	-197	-1,708	-894
Change in financial fixed assets	-5	54	-8	7
CASH FLOW FROM INVESTING ACTIVITIES	-1,599	-142	-3,129	-937
Financing activities				
Capital injection	-	-	9,525	-
New share issue	-	-	475	-
Expenses related to extension of Senior Bond	-800	-	-4,779	-
Change in loans	-0	1,000	-4,000	-7,000
Change in financial leases	-534	-135	-1,777	-1,369
CASH FLOW FROM FINANCING ACTIVITIES	-1,335	865	-555	-8,369
TOTAL CASH FLOW, continuing operations	2,905	3,089	4,013	-11,087
CASH FLOW, discontinued operations	725	373	818	-827
CASH FLOW FOR THE PERIOD, Group total	3,630	3,461	4,831	-11,914
CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD				
	11,016	6,184	9,648	21,351
Cash flow for the period				
	3,630	3,461	4,831	-11,914
Exchange rate effects				
	-256	2	-89	210
CASH & CASH EQUIVALENTS AT END OF PERIOD	14,389	9,648	14,389	9,648

PARENT COMPANY

Condensed Parent Company Income Statement

KEUR	Q4		Jan-Dec	
	2022	2021	2022	2021
Net sales	2,301	2,151	9,932	10,752
Cost of sales	-604	-592	-2,497	-2,496
Gross profit	1,697	1,559	7,435	8,256
General and administration expenses	-1,224	-1,194	-4,272	-5,189
Selling expenses	-83	-110	-403	-303
Research and development costs	-74	-136	-302	-310
Other operating items	-163	-25	231	43
Operating profit (loss)	153	95	2,688	2,497
Interest income	810	761	2,700	2,845
Interest expenses	-3,276	-3,149	-13,018	-12,259
Other financial items	-16,778	-6,670	-17,295	-7,333
Foreign exchange gains/losses	-552	-421	993	24
Net financial items	-19,796	-9,479	-26,619	-16,724
Profit (loss) before tax	-19,642	-9,385	-23,931	-14,226
Tax	230	100	-229	-145
Net profit (loss)	-19,412	-9,285	-24,160	-14,371

Condensed Parent Company Statement of Comprehensive Income

KEUR	Q4		Jan-Dec	
	2022	2021	2022	2021
Net profit (loss)	-19,412	-9,285	-24,160	-14,371
Total comprehensive income	-19,412	-9,285	-24,160	-14,371

Condensed Parent Company Statement of Financial Position

KEUR	31 Dec 2022	31 Dec 2021
Intangible fixed assets	1,408	-
Tangible fixed assets	370	519
Financial fixed assets	80,470	96,509
Total non-current assets	82,248	97,027
Current receivables	107,829	106,935
Cash and bank	2,546	1,393
Total current assets	110,376	108,328
Total assets	192,624	205,355
Equity	90,478	45,483
Long term borrowings	86,327	136,341
Provisions for pensions and similar obligations	-	-
Other non interest bearing liabilities, external	203	353
Total non-current liabilities	86,531	136,693
Accounts payable, trade	844	208
Short term borrowings	-	8,602
Other current liabilities	14,772	14,369
Total current liabilities	15,616	23,179
Total Liabilities	102,147	159,872
Total Liabilities and Equity	192,624	205,355

ALTERNATIVE PERFORMANCE MEASURES

Quant uses certain alternative performance measures (APMs) not defined in the rules for financial reporting adopted by Quant. APMs, i.e. performance measures not based on financial statements standards, provide meaningful supplemental information by excluding items that may not be indicative of the operating result or cash flows of Quant. Alternative performance measures enhance comparability from period to period and are frequently used by analysts, investors and other parties. These APMs, as defined, cannot be fully compared with other companies' APMs and should not be considered as a substitute for measures of performance in accordance with IFRS.

Alternative Performance Measure	Definition	Reason for use
EBITDA	Earnings before interest, tax, depreciation and amortization, and before write-down of intangible and tangible assets.	Shows the operational profitability that the business primarily can affect
Adjusted EBITDA	EBITDA excluding items affecting comparability (non-recurring items) and the effect of IFRS 16 Leases	Related to the underlying performance and cash generation ability of the business
Adjusted EBITDA Margin	Adjusted EBITDA as a percentage of Net Sales	Enables comparability of underlying profitability for different size segments
Adjusted EBITDA IFRS 16	EBITDA excluding items affecting comparability (non-recurring items), but including the effect of IFRS 16 Leases, with expenses related to leases in Depreciation and Interest cost	Related to the underlying performance and cash generation ability of the business, aligned with updated IFRS standards
Net debt	Interest-bearing liabilities, excluding lease liabilities, less cash and cash equivalents	Indicates how much debt the group has net of cash and is an important measure for bond holders
Net debt IFRS 16	Interest-bearing liabilities, including lease liabilities, less cash and cash equivalents	Indicates how much debt the group has net of cash, with lease liabilities recorded as debt in accordance with IFRS 16, aligned with adjusted EBITDA IFRS 16
Net debt/adjusted EBITDA / Net Debt / Adjusted EBITDA IFRS 16	Net debt in relation to adjusted EBITDA / Net debt IFRS 16 in relation to adjusted EBITDA IFRS 16	Shows the ability to service debt, an important measure for bond holders, both without and with application of IFRS 16
Growth excluding structural and other non-recurring adjustments	Growth excluding structural changes and other non-recurring adjustments shows the change in net sales, excluding changes related to acquisitions, divestments, and other non-recurring adjustments, such as accounting related changes	Shows the actual growth, including currency effects, of the business
Organic growth	Organic growth refers to growth in net sales excluding (i) growth related to acquisitions and divestments and other non-recurring adjustments and (ii) growth related to fluctuations in currency exchange rates	Shows the actual growth of the business, excluding currency effects
Local currency/constant currencies	Excludes the impact of changes in exchange rates when translating net sales and profits of entities with reporting currencies other than Euro, to the group currency Euro	Shows growth excluding currency effects
Contract Portfolio	The annualized net sales of current customer contracts, adjusted for (i) signed new contracts, included at date of contract signing, irrespective of start date; (ii) terminated contracts, excluded at date of formal notification, irrespective of end date; (iii) changes formally agreed with the customers of existing contracts, included at date of agreement. This includes changes due to renewals of contracts or other reasons	Shows current recurring annual net sales adjusted for short- and medium-term changes
Items affecting comparability/non-recurring items	Items affecting comparability are of a one-off, non-recurring, non-operational, extraordinary, unusual or exceptional nature (including restructuring expenditures).	Shows the value of items which affect the comparability of Quant's result and profitability between periods

RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

KEUR	Q4		Jan-Dec	
	2022	2021	2022	2021
Continuing operations				
Operating profit (loss)	-12,701	-1,649	-9,681	-2,778
Depreciation & amortization	1,564	2,918	6,281	11,921
Non recurring items	-	51	-	621
Reversal of Write-down tangible assets	-	-	-	-
Adjusted EBITDA IFRS 16	-1,143	1,320	6,688	9,786
Effect from IFRS 16	-393	-620	-2,015	-2,577
Adjusted EBITDA	-1,536	700	4,672	7,209
Net sales	49,372	41,887	179,374	164,435
Adjusted EBITDA margin	-3.1%	1.7%	2.6%	4.4%
Discontinued operations				
Operating profit (loss)	606	79	461	-7,388
Depreciation & amortization	-	0	-	13
Non recurring items	-	-	-	-
Reversal of Write-down intangible assets	-	93	-	6,510
Reversal of Write-down tangible assets	-	-	-	-
Adjusted EBITDA IFRS 16	606	173	461	-865
Effect from IFRS 16	-	-	-	-
Adjusted EBITDA	606	173	461	-865
Net sales	-	14	-	946
Adjusted EBITDA margin	-	-	-	-91.5%
Group total				
Operating profit (loss)	-12,095	-1,570	-9,220	-10,166
Depreciation & amortization	1,564	2,919	6,281	11,934
Non recurring items	-	51	-	621
Reversal of Write-down intangible assets	9,994	93	10,087	6,531
Reversal of Write-down tangible assets	-	-	-	-
Adjusted EBITDA IFRS 16	-537	1,493	7,149	8,921
Effect from IFRS 16	-393	-620	-2,015	-2,577
Adjusted EBITDA	-930	873	5,133	6,344
Net sales	49,372	41,901	179,374	165,381
Adjusted EBITDA margin	-1.9%	2.1%	2.9%	3.8%

KEUR	31 Dec		LTM	Jan-Dec
	2022	2021	Dec 2022	2021
Net Debt				
Cash and bank	14,389	9,648	14,389	9,648
Financial assets	14,389	9,648	14,389	9,648
Long term borrowings	86,327	136,341	86,327	136,341
Short term borrowings	-	8,602	-	8,602
Adjusted financial liabilities	86,327	144,943	86,327	144,943
Net Debt	71,938	135,295	71,938	135,295
Lease liabilities	1,990	3,371	1,990	3,371
Net Debt IFRS 16	73,928	138,665	73,928	138,665
Net Debt	-	-	71,938	135,295
Adjusted EBITDA Continued operations	-	-	4,672	7,209
Net Debt / Adjusted EBITDA, times	-	-	15.4	18.8
Net Debt IFRS 16	-	-	73,928	138,665
Adjusted EBITDA IFRS 16 Continued operations	-	-	6,688	9,786
Net Debt IFRS 16/ Adjusted EBITDA IFRS 16, times	-	-	11.1	14.2

KEUR	Q4 2022	Jan-Dec 2022
Changes in net sales		
Net sales	49,372	179,374
Net sales in comparative period of previous year	41,887	164,435
Net sales, change	7,484	14,938
Minus: Structural changes and other non-recurring adjustments	-	-
Plus: Changes in exchange rates	-667	-2,298
Organic Growth	6,817	12,640
Structural changes and other Non-recurring adjustments, %	-	-
Organic Growth, %	16.3%	7.7%
Net sales	49,372	179,374
Plus: Changes in exchange rates	-667	-2,298
Net sales in constant currency	48,705	177,076
Adjusted EBITDA	-1,536	4,672
Plus: Changes in exchange rates	62	-60
Adjusted EBITDA in constant currency	-1,473	4,612

NOTES

Accounting principles

This interim report has been prepared under International Financial Reporting Standards (IFRS), in accordance with IAS 34 Interim Financial Reporting. The accounting policies and methods of calculation used in the preparation of the latest annual report have been applied, with the exception of new and amended standards and interpretations effective on 1 January 2022. The interim report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Securities Market Act, which is in compliance with RFR 2 Accounting for Legal Entities, issued by the Swedish Financial Reporting Board. New or revised IFRS standards that came into force in 2022 did not have any material impact on the Group's financial reporting.

Transactions with related parties

There have been no transactions between Quant and related parties that have significantly affected the Company's position and results during the period.

Employees

The number of full-time employees (FTEs) for the quarter was 3,121 compared to 2,800 during the third quarter of 2022. The number of employees as of 31 December 2022 was 3,062 compared to 3,007 on 30 September 2022.

Risks and uncertainties

The significant risks and uncertainties to which the Quant Group is exposed include global economic and market risks, operational risks, technology risks, and disputes and litigation risks. Through its operations, Quant is exposed to a number of different financial risks: market risk (primarily currency risk and interest rate risk), financing risk, credit risk and liquidity risk. Financial risks arise when refinancing and credit risks as well as changes in interest rates and exchange rates affect the group's earnings, cash flow and value. Quant has experienced the effects of the global Covid-19 pandemic through high sick leave vacancies, temporary staff, and higher cost for safety and transportation. Sales becomes affected as traveling and abilities to meet are restricted.

Efficient mobilization of recent large contract wins, as well as the ability to attract qualified personnel for these new contracts, are important to avoid cost overruns and penalties which may affect the Group's profitability.

The outbreak of the war in Ukraine in February 2022 has affected the global macroeconomic outlook. Quant does not have operations in Russia or Ukraine and therefore is not directly affected by the conflict. The risks for Quant are indirect and stem from changes to the macroeconomic environment such as changes in inflation expectations, disturbances, sanctions, and shortages in supply chains and labor markets, as well as changes in behavior which may adversely affects Quant's business model and profitability.

A full description of the risks to which the Group is exposed can be found in Quant's Annual report 2021.

Fair value of financial instruments

The Group has no financial instruments that are measured at fair value in the balance sheet. For borrowing, there is no material difference between the carrying amount and fair value, as the Group's borrowings are at variable interest rates. Nor does the Group have any other off-balance sheet financial assets or liabilities.

Discontinued operations

KEUR	Q4		Jan-Dec	
	2022	2021	2022	2021
<i>Discontinued operations</i>				
Net sales	-	14	-	946
Operating profit (loss)	606	79	461	-7,388
Profit (loss) before tax	607	79	462	-7,422
Net profit (loss)	696	152	621	-7,358
Cash flow from operating activities	725	373	818	-827
Total cash flow	725	373	818	-827

In January 2021 Quant China was classified as a discontinued operation. A decision was taken by management to discontinue operations in China through a sale, non-renewal or termination of existing contracts. This decision triggered a write down of Goodwill, Customer relations and Customer contracts in the amount of EUR 5.2 million, EUR 0.8 million and EUR 0.4 million, respectively. On December 31, 2021 operations in China were closed and preparations were initiated to enter liquidation.

No divestments have occurred during the quarter.

QUANT™

Quant's vision is to build Smart Services for a Sustainable World.

Smart services are services that are delivered safely and efficiently, on time every time.

The service is data driven, using cutting edge digital tools, to deliver right the first time in a service minded and professional way.

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